

SENATE MOTION

MADAM PRESIDENT:

I move that Senate Bill 272 be amended to read as follows:

1 Page 1, delete lines 1 through 17, begin a new paragraph and insert:
2 "SECTION 1. IC 6-2.5-4-5 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. (a) As used in this
4 section, a "power subsidiary" means a corporation which is owned or
5 controlled by one (1) or more public utilities that furnish or sell
6 electrical energy, natural or artificial gas, water, steam, or steam heat
7 and which produces power exclusively for the use of those public
8 utilities.

9 (b) A power subsidiary or a person engaged as a public utility is a
10 retail merchant making a retail transaction when the subsidiary or
11 person furnishes or sells electrical energy, natural or artificial gas,
12 water, steam, or steam heating service to a person for commercial or
13 domestic consumption.

14 (c) Notwithstanding subsection (b), a power subsidiary or a person
15 engaged as a public utility is not a retail merchant making a retail
16 transaction ~~when~~ **in any of the following transactions:**

17 (1) The power subsidiary or person provides, installs, constructs,
18 services, or removes tangible personal property which is used in
19 connection with the furnishing of the services or commodities
20 listed in subsection (b).

21 (2) The power subsidiary or person sells the services or
22 commodities listed in subsection (b) to another public utility or
23 power subsidiary described in this section or a person described
24 in section 6 of this chapter. ~~or~~

25 (3) The power subsidiary or person sells the services or
26 commodities listed in subsection (b) to a person for use in
27 manufacturing, mining, production, refining, oil extraction, mineral
28 extraction, irrigation, agriculture, or horticulture. However, this
29 exclusion for sales of the services and commodities only applies
30 if the services are consumed as an essential and integral part of an

integrated process that produces tangible personal property and those sales are separately metered for the excepted uses listed in this subdivision, or if those sales are not separately metered but are predominately used by the purchaser for the excepted uses listed in this subdivision.

(4) The power subsidiary or person sells the services or commodities listed in subsection (b) and all the following conditions are satisfied:

(A) The services or commodities are sold to a business that after June 30, 2004:

(i) relocates all or part of its operations to a facility; or

(ii) expands all or part of its operations in a facility;

located in a military base (as defined in IC 36-7-30-1(c)), a military base reuse area established under IC 36-7-30, an economic development area established under IC 36-7-14.5-12.5, or a military base recovery site designated under IC 6-3.1-11.5.

(B) The business uses the services or commodities in the facility described in clause (A) not later than five (5) years after the operations that are relocated to the facility or expanded in the facility commence.

(C) The sale of the services or commodities are separately metered for use by the relocated or expanded operations.

However, this subdivision does not apply to a business that substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations in an area described in this subdivision, unless the department determines that the business had existing operations in the area described in this subdivision and that the operations relocated to the area are an expansion of the business's operations in the area."

Page 2, delete lines 1 through 37.

Re-number all SECTIONS consecutively.

(Reference is to SB 272 as printed January 30, 2004.)

Senator KENLEY